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IN THE UNITED STATES BANKRUPTCY COURT FOR THE
EASTERN DISTRICT OF TEXAS (SHERMAN DIVISION)

IN THE MATTER OF:	§	CASE NO. 4:10-bk-43479
	§	
SHAFFER PLAZA LII, LTD	§	CHAPTER 11
	§	
DEBTOR	§	

**MOTION FOR RELIEF FROM THE AUTOMATIC STAY OR,
IN THE ALTERNATIVE, FOR ADEQUATE PROTECTION
FILED BY FIRST UNITED BANK AND TRUST COMPANY**

NOTICE

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AND SERVED UPON THE PARTY FILING THIS PLEADING WITHIN FIFTEEN (15) DAYS FROM THE DATE OF SERVICE HEREOF UNLESS THE COURT SHORTENS OR EXTENDS THE TIME FOR FILING SUCH RESPONSE. IF NO RESPONSE IS TIMELY SERVED AND FILED, THIS PLEADING SHALL BE DEEMED TO BE UNOPPOSED AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT. IF A RESPONSE IS FILED AND SERVED IN A TIMELY MANNER, THE COURT WILL THEREAFTER SET A HEARING. THE COURT RESERVES THE RIGHT TO SET A HEARING ON ANY MATTER.

Comes now First United Bank and Trust Company ("Movant") with this Motion for Relief from the Automatic Stay in the case of Shafer Plaza LII, Ltd. ("Debtor"), and in support thereof, would show unto this Court as follows:

Jurisdictional Background

1. The Court has jurisdiction over this matter in accordance with 11 U.S.C. §§361 and 362,

and 28 U.S.C. §§157, 1334, and 2075. This matter constitutes a “core” proceeding in accordance with the provisions of 28 U.S.C. §157.

Background Facts

2. On or about December 5, 2006, Movant made a loan of funds to Debtor who executed a Loan Agreement and Commercial Promissory Note made payable to Movant, for the amount of \$4,650,000.00 (the “Note”). A true and correct copy of the Note and the most recent renewal and extension thereto are attached hereto as “Exhibit 1.”

3. In connection with the aforementioned loan, Debtor executed a Commercial Deed of Trust, Security Agreement, Financing Statement and Assignment of Rents (the “Deed of Trust”) by which Debtor secured the payment and performance of the obligations due under the Note with real property described in “Exhibit A” to the Deed of Trust (the “Property”). A true and correct copy of the Deed of Trust is attached hereto as “Exhibit 2.”

4. Debtor subsequently defaulted by failing to make the payments as they came due under the Note.

5. On August 24, 2010, Movant filed a lawsuit against the Debtor for collection of those amounts due under the Note in Cause No. 416-03476-2010 in the 416th Judicial District Court of Collin County, Texas (the “State Court Lawsuit”).

6. On October 4, 2010, Debtor filed its voluntary bankruptcy petition instituting the above-styled bankruptcy case.

Motion for Relief from the Automatic Stay

7. Movant hereby seeks relief from the automatic stay for cause in accordance with 11 U.S.C. §362(d). Movant would show that there is little or no equity in the Property, the Property is not necessary for an effective reorganization and further, that adequate protection is needed for the interests of Movant, and that such protection has not been offered or provided by the Debtor. Movant believes that

its interests are in immediate jeopardy at present due to the existence of mechanics' liens and as the result of unpaid property taxes. Consequently, Movant is likely to suffer irreparable damage to its interests before there is an opportunity for notice and a hearing under 11 U.S.C. §§362(d) and (e).

8. Furthermore, because Movant is without adequate protection, and because Movant is likely to incur additional harm for which there is no adequate remedy and from which the injury will, in all probability, be irreparable, cause exists for relief from the automatic stay. At a minimum, Movant prays for adequate protection in such form as this Court may find appropriate, pending a final hearing on this Motion under 11 U.S.C. §362(d) and (e).

WHEREFORE, Movant prays that on final hearing, the stay be lifted as requested herein. In addition or in the alternative, Movant prays for adequate protection to be determined by the Court. Movant further prays for such other relief to which it is justly entitled either general or special, at law or in equity, as is equitable and just to protect the legitimate interests of Movant.

Respectfully Submitted,

BASDEN & IVIE
A Professional Corporation

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CERTIFICATE OF SERVICE

I hereby certify that on October 8, 2010, I have served a copy of the foregoing motion by First Class U. S. Mail or by electronic means to all parties who have filed a notice of appearance or a request for notice in this case and to the following:

Debtor

Shafer Plaza LII, Ltd
5210 Tracy
Dallas, TX 75205

Attorney for Debtor(s)

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Tyler, TX 75702

By: /s/ John H. Ivie, III
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